GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:252
ANSWERED ON:03.12.2007
DECLINE IN EXPORT OF TEXTILES
Adhalrao Patil Shri Shivaji;Veerendra Kumar Shri M.P.

Will the Minister of TEXTILES be pleased to state:

(a) whether the textile industry in the country is heading for recession owing to sluggish orders for exports which have fallen considerably during the first three months of the current fiscal year; and

(b) if so, the reasons therefor and the steps taken by the Government to ensure the continuity of the jobs of the workers in the industry?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) & (b): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) & (b) of the Lok Sabha Starred Question No.252 for 3.12.2007.

(a): The provisional data of the Directorate General of Commercial Intelligence & Statistics, Kolkata, indicates a decline in India`s textiles exports during the first quarter of current financial year by 14% in US dollar terms and 22% in Rupee terms compared to corresponding period of preceding year.

(b): The Government is seized of the submissions of textiles export promotion councils and other industry associations, which mainly attribute the decline in India`s textiles exports to recent appreciation in the value of the Indian rupee vis-Ã -vis the US Dollar. As per Textiles Industry estimates export of Rupees one crore result in incremental employment of 35 jobs. The Government has taken certain measures to strengthen the textiles industry, which include increase in Duty Entitlement Pass Book and Duty Drawback rates, exemption from service tax on select services, reduction in interest rates of pre-shipment and post-shipment credit and faster clearance of arrears of terminal excise duties and Central Sales Tax.